

## Message Text

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15

ORIGIN OPIC-01

INFO OCT-01 ARA-01 ISO-00 EB-01 /004 R

66615

DRAFTED BY OPIC/ID/LA:CHCLARKE

APPROVED BY EB/IFD/OIA:RJSMITH

OPIC/ID/LA:BTMANSBACH

EB/IFD/OIA:DHSTEBBING

ARA/BR:TSHUGERT (INFO)

----- 008636

R 202330Z AUG 75

FM SECSTATE WASHDC

TO AMEMBASSY BRASILIA

AMCONSUL RIO DE JANEIRO

AMCONSUL SAO PAULO

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FOL REPEAT STATE 191056 SENT ACTIONHBUENOS AIRES

BELIZE GUATEMALA TEGUCIGALPA MANAGUA SAN SALVAODR SAN JOSE

PANAMA PORT AU PRINCE BRIDGETOWN SANTO DOMINGO PORT OF SPAIN

CARACAS BOGOTA QUITO LIMA SANTIAGO LA PAZ

GEOGETOWN PARAMARIBO KINGSTON CURACAO AUG 12

QTE

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E.O. 11652:N/A

TAGS: EINV

SUBJECT: POLITICAL RISK CONVERTIBILITY INSURANCE (OPIC)

1. PART OF OPIC'S POLITICAL RISK INSURANCE FOR AMERICAN  
INVESTORS IS INSURANCE AGAINST A DETERIORATION OF EXISTING

CURRENCY CONVERTIBILITY RIGHTS. IN COUNTRIES WHERE AT THE  
TIME OF EXECUTION OF THE INSURANCE CONTRACT OPIC KNOWS OF  
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NO SIGNIFICANT DELAY BY EXCHANGE AUTHORITIES IN APPROVING

TRANSFERS OF LOCAL CURRENCY TO U.S. DOLLARS, THE OPIC STANDARD CONTRACT OF INSURANCE WILL PERMIT THE INVESTOR TO MAKE AN INCONVERTIBILITY CLAIM AGAINST OPIC IF A REQUEST FOR TRANSFER BY AN INSURED INVESTOR IS NOT HONORED WITHIN EITHER THIRTY DAYS, IF A RESULT OF ACTIVE BLOCKAGE, OR SIXTY DAYS, IF A RESULT OF PASSIVE BLOCKAGE. WHERE DELAYS IN TRANSFER AT THE TIME OF THE EXECUTION OF THE INSURANCE CONTRACT ARE KNOWN TO OPIC, OPIC'S CONTRACT MAY INCLUDE SPECIAL LANGUAGE TO DEFINE THE WAITING PERIOD.

2. IT IS IMPORTANT THAT OPIC HAVE ACCURATE AND CURRENT INFORMATION ON PREVAILING LOCAL POLICIES, PROCEDURES AND/OR PRACTICES WHICH CAUSE OR MAY CAUSE DELAYS IN CURRENCY TRANSFERS. SUCH POLICIES, PRACTICES, AND/OR PROCEDURES MIGHT BE OF GENERAL APPLICATION OR OF SPECIAL APPLICATION TO LOANS,

DIVIDENDS, ROYALTIES OR TO CERTAIN INDUSTRIES, INVESTORS, OR COMMODITIES. ORDINARILYGN OPIC HAS ACCESS TO PERTINENT LOCAL LAWS AND REGULATIONS IN IMF OR OTHER PUBLICATIONS. VERY RECENTLY ENACTED LAWS AND/OR REGULATIONS OR NEW LEGISLATION UNDER CONSIDERATION SHOULD ALSO BE REPORTED, HOWEVER.

3. IT IS REQUESTED THAT ADDRESSEE POSTS INFORM OPIC BY SEPTEMBER 15, 1975, OR AS SOON THEREAFTER AS POSSIBLE OF THE CONVERSION PERIOD OR PERIODS CURRENTLY IN EFFECT. IF DELAYS OVER THIRTY DAYS ARE RECURRENT, PLEASE DESCRIBE THE REASONS FOR SUCH DELAY .

4. IN OBTAINING THIS INFORMATION IT IS IMPORTANT TO GO BEYOND OFFICIAL BANK AND GOVERNMENT SOURCES TO THE ACTUAL EXPERIENCE OF AMERICAN INVESTORS SINCE THERE MAY BE A VARIANCE OF INFORMATION.

5. IN THE EVENT ANY SIGNIFICANT CHANGE OCCURS IN CONVERSION PRACTICES, IT IS REQUESTED THAT OPIC BE NOTIFIED.

6. ADDITIONALLY, COMMENTS OF THE OIL IMPORTING ADDRESSEE POSTS ARE INVITED REGARDING THE POSSIBLE IMPACT ON TRANS- UNCLASSIFIED

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FERS OF PROJECTED SUBSTANTIAL INCREASES IN THE FOREIGN EXCHANGE COSTS OF ENERGY. KISSINGEV

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## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FOREIGN INVESTMENT, INSURANCE  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 20 AUG 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE191056  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** CHCLARKE  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750279-0063  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1975/newtext/t19750859/aaaabzxc.tel  
**Line Count:** 112  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN OPIC  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ellisooob  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 03 FEB 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <03 FEB 2003 by ReddocGW>; APPROVED <23 MAR 2004 by ellisooob>  
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**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** POLITICAL RISK CONVERTIBILITY INSURANCE (OPIC)  
**TAGS:** EINV, XM, XL, XK, OPIC  
**To:** BUENOS AIRES MULTIPLE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006